

**Town of Minto** 

DATE: January 17, 2017
TO: Mayor Bridge and Members of Council
FROM: Stacey Pennington, Building Inspector
RE: Promoting Affordable Housing Act

### STRATEGIC PLAN

Ensure growth and development in Clifford, Palmerston and Harriston makes cost effective and efficient use of municipal services, and development in rural and urban areas is well planned, reflects community interests, is attractive in design and layout, and is consistent with applicable County and Provincial Policies.

# **BACKGROUND**

Under Ontario's Long Term Affordable Housing Strategy the Province will make several investments to achieve its vision where "every person has an affordable, suitable and adequate home to provide the foundation to secure employment, raise a family and build strong communities".

To implement the strategy, the provincial government introduced the Promoting Affordable Housing Act, 2016, amends the Planning Act, the Development Charges Act, 1997, the Housing Services Act, 2011 and the Residential Tenancies Act, 2006. The Promoting Affordable Housing Act is set to increase the supply of affordable housing and improve the social housing structure. The program targets families and individuals who earn too little to afford market-rate housing and too much to be eligible for social assistance. Income is not always the sole determinant as units can also be targeted to specific demographic groups such as seniors or those with special needs.

The proposed amendments, if passed, would provide the Minister of Municipal Affairs and Housing with the authority to make regulations relating to the proposed provisions.

### **COMMENTS**

This report will provide an outline of changes to legislation as a result of the Promoting Affordable Housing Act and introduce the some possible plans of implementation.

### **Inclusionary Zoning**

When proclaimed, the Planning Act will give municipalities the option to require private sector developers to include affordable housing units in their development proposals through inclusionary zoning. Inclusionary zoning would help to serve more people in need of housing, increase the supply of affordable units, and meet local needs and targets. Where a rezoning includes affordable units, that part of the bylaw could not be appealed to the Ontario Municipal Board. Appeals for other sections of the bylaw not related to affordable house (i.e. building height, density, setbacks) would be permitted. As opposed to requiring affordable units within a specific project, the developer could be required to build the units in an alternate location.

Additional details that could be included in the regulations are:

- the size of residential developments requiring inclusionary zoning
- the timelines for maintaining units as affordable housing
- the percentage of units in a development required to be affordable
- the possible exemption of specific developments

Municipalities must also set procedures to administer affordable housing units to ensure they remain affordable over the long term. This could be done through agreements registered on title that are enforceable. Reporting on affordable housing units will also be required.

The Ministry of Municipal Affairs and housing outlines twelve matters to be addressed for future inclusionary zoning regulations as follows:

- Program Targets
  - Define demographic needs, and eligibility criteria
- Price and Rent
  - Area median income or average purchase price of homes in the area
- Number of Units
  - Percentage of units required for affordable housing in developments
- Affordability Period
  - How long is reasonable to ensure units remain affordable
- Threshold Size
  - How to determine if affordable units will be required in a development (number of units vs. land size)
- Measures and Incentives
  - Supportive Zoning: Increased Height and Density
    - Reduce Parking or Design Requirements
    - Application Fee Wavers
    - Development Charge or Property Tax deferrals
    - Expedited Planning Process
- Requirements and Standards
  - Setting limitations for units in relation to square footage, number of bedrooms, lot coverage or exterior access requirements
- Agreements
  - Registration on title to ensure the units stay affordable overtime must be enforceable in order to be effective
- Administration, Monitoring and Reporting
  - Municipal monitoring to ensure the inclusionary zoning is meeting goals and objectives
  - Rectifying annual incomes of renters, reviewing sales of affordable units
- Planning Act Section 37 (Height and Density Exemptions)
  - Land subject to inclusionary zoning would not be eligible for exemptions
- o Transition Period
  - Existing applications in progress could be grandfathered

### **Secondary Suites**

In 2012, changes to the Planning Act required municipalities to allow for secondary suites in residential units or structures accessory to residential units. In 2016, the County of Wellington passed the Official Plan Update 2016-99 to allow for these secondary units. The Minto Zoning By-law update is anticipated in the early half of 2017 to set out specifications for these accessory dwellings or secondary units (floor area, parking, etc.).

When proclaimed, the Development Charges Act will exempt secondary suites from development charges. Secondary Suites, such as basement or above garage apartments, are potential sources of affordable housing that allow homeowners to earn extra income.

# **Social Housing**

Changes to the Housing Services Act would provide local service managers with more flexibility in administering and delivering social housing. This flexibility would give local service managers the opportunity to provide Ontarians to access a range of housing options and social housing alternatives. The changes could also help to reduce wait lists, as people would be able to find and apply for the housing and supports they need more quickly and easily.

# **Residential Tenancies Act**

Changes to the Residential Tenancies Act would help to prevent unnecessary evictions from social housing. These changes would also provide for local enforcement of rental property maintenance standards for tenants and landlords in all municipalities. Municipalities not currently enforcing residential rental maintenance standards will be required to do so by July 2018. The ministry is to provide further details on how it will partner with municipalities to develop this process by drawing upon best practices and shared service approaches.

The impact of the changes is not yet known. Staff will work with County Planning to ensure Minto meets any reporting requirements and applies inclusionary zoning according to the new legislation. One example that should be consistent with the regulation is the Harriston Senior School development with its mix of single family, semi-detached and multiple family housing. If the legislation were in place last year it might have restricted appeal on the affordable housing part, although issues of setbacks and density could still have been used to hold up the project.

#### RECOMMENDATION

THAT Council receives the Building Inspectors report on the Promoting Affordable Housing Act, 2016 for information.

Stacey Pennington, Building Inspector